

III. REMARKS

Claims 1, 3-8, 11, 12, 14-16 and 18-20 are pending in this application. Applicants have amended claims 1, 3, 6, 7, 12, 14, 16 and 18. Applicants have canceled claims 2, 9, 10, 13 and 17. Applicants do not acquiesce in the correctness of the rejections and reserve the right to present specific arguments regarding any rejected claims not specifically addressed. Further, Applicants reserve the right to pursue the full scope of the subject matter of the original claims in a subsequent patent application that claims priority to the instant application. Reconsideration in view of the following remarks is respectfully requested.

Applicants would like to thank Examiner Hayles for discussing this application in a telephonic interview on April 15th, 2010. The issues discussed were the 35 U.S.C. § 101 and the 35 U.S.C. § 103(a) rejections. Applicants have further revised the application in light of the telephonic interview and the substance of the discussion is presented below.

Claims 1-11 have been rejected under 35 U.S.C. § 101, as allegedly directed to non-statutory subject matter. Specifically, the Office states claims 1-11 must be tied to another statutory class or transform the underlying subject matter. The Office asserts that the machine in claim 1 (computer) does not impose meaningful limits on the method claims' scope and that data gathering or outputting are insignificant steps recited in the process. Applicants have amended claims 1, 6 and 7 to require that the "determining" steps are performed "using at least one computer." The amendments require a computer to perform the recited steps thereby providing a meaningful limit on the steps. Moreover, the method of the instant invention is determining an impact of the policy inventory on inventory consumption. The method relates to managing inventory of physical objects. The underlying subject matter, data corresponding to inventory, is

transformed by the policy implemented. Thus, the process recited transforms the data corresponding to inventory, i.e. the underlying subject matter. It is submitted that with this amendment, the rejections of claims 1-11 under 35 U.S.C. § 101 has been obviated and withdrawal is requested.

In the Office Action, claims 1-20 have been rejected under 35 U.S.C. §103(a) as allegedly being unpatentable by Kurihara et al. (U.S. Pub. 2003/0171963), hereinafter “Kurihara”. Applicants respectfully traverse this rejection for the reasons stated below.

Applicants have amended claim 1, to include the limitations: “determining a policy inventory (P) using the at least one computer; determining a policy and trapped inventory (PT) based on a difference between the excess inventory with the manufacturing limitation and the policy inventory and the excess inventory without the manufacturing limitation using the at least one computer; determining an optimum inventory (O) for each analysis point based on the policy and trapped inventory (PT) and the trapped inventory (OT), for each analysis point using the at least one computer according to the following algorithms:

$$AP-P = \max (0, AP_{OT} - AP_{PT})$$

and:

$$AP-O = AP_{OT} - AP-P$$

wherein AP_{OT} is the consumption calculated with the trapped only (OT) data; AP_{PT} , is the consumption calculated with the policy and trapped (PT) data; and $AP-O$ is part of the AP_{OT} , that is not affected by the policy inventory.” Support for the amendments are found in claims 2 and 9 and in the specification on page 21, line 17 through page 22. Applicants assert that Kurihara does not teach or suggest “determining a policy inventory (P) using the at least one computer;

determining a policy and trapped inventory (PT) based on a difference between the excess inventory with the manufacturing limitation and the policy inventory and the excess inventory without the manufacturing limitation using the at least one computer; determining an optimum inventory (O) for each analysis point based on the policy and trapped inventory (PT) and the trapped inventory (OT) for each analysis point using the at least one computer according to the following algorithms:

$$AP-P = \max (0, AP_{OT} - AP_{PT})$$

and:

$$AP-O = AP_{OT} - AP-P$$

wherein AP_{OT} is the consumption calculated with the trapped only (OT) data; AP_{PT} , is the consumption calculated with the policy and trapped (PT) data; and $AP-O$ is part of the AP_{OT} , that is not affected by the policy inventory.”

The Examiner asserts that Kurihara teaches “determining a policy and trapped inventory based on a difference between the excess inventory with the manufacturing limitation and a policy inventory the excess inventory without the manufacturing limitation.” The Examiner points to paragraph [0176], lines 16-22 as teaching the element of determining trapped inventory; however, Kurihara does not determine both trapped inventory and policy and trapped inventory. These two elements are crucial to determining an optimum inventory. Moreover, the algorithms recited in independent claim 1 are not taught or suggested by Kurihara.

Kurihara is directed to a functional device that checks whether product production instruction amounts and times of delivery are legitimate. If the production capacities are exceeded, the functional device considers whether delaying times of delivery can be implemented to correct

production instruction amounts (paragraph [0176], lines 16-22). Thus, rather than determining an optimum inventory, Kurihara looks to delay times of delivery when production cannot be met.

In the instant invention, policy inventory is defined as “an amount of an inventory required to fulfill a plan to manage inventory or to satisfy a customer requirement in a swift and/or efficient way”, and excess inventory is defined as “an amount of inventory that exceeds consumer requirements at a specific time”. Determining a policy and trapped inventory and a trapped inventory are separate requirements in the instant invention. Determining an optimum inventory for each analysis point based on the policy and trapped inventory and the trapped inventory for each analysis point is not shown in Kurihara. The algorithms required in the claims of the instant invention are not taught or suggested Kurihara. Determining whether production instruction amounts and times of delivery are legitimate, as provided by Kurihara does not encompass “determining an optimum inventory (O) for each analysis point based on the policy and trapped inventory (PT) and the trapped inventory (OT) for each analysis point using the at least one computer according to the following algorithms:

$$AP-P = \max (0, AP_{OT} - AP_{PT})$$

and:

$$AP-O = AP_{OT} - AP-P$$

wherein AP_{OT} is the consumption calculated with the trapped only (OT) data; AP_{PT} , is the consumption calculated with the policy and trapped (PT) data; and $AP-O$ is part of the AP_{OT} , that is not affected by the policy inventory.” Thus, the Examiner has failed to show that Kurihara teaches all the elements of the independent claim 1 and the 103 rejection is defective. Applicants respectfully request withdrawal of the rejection.

Claims 12 and 17 have been amended in a similar manner as claim 1. Therefore, the above arguments apply and withdrawal of the rejection of claims 12 and 17 under 35 U.S.C. §103(a) is respectfully requested.

In view of the foregoing, Kurihara does not render obvious the claimed subject matter. The dependent claims are believed allowable for the same reasons stated above, as well as for their own additional features. Accordingly, Applicants respectfully request withdrawal of the rejection.

In light of the above, Applicants respectfully submit that all claims are in condition for allowance. Should the Examiner require anything further to place the application in better condition for allowance, the Examiner is invited to contact Applicants' undersigned representative at the number listed below.

Respectfully submitted,

/Carl F. Ruoff/

Carl F. Ruoff
Reg. No.: 34,241

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Hoffman Warnick LLC
75 State Street, 14th Floor
Albany, New York 12207
(518) 449-0044
(518) 449-0047 (fax)